



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

March 31, 2005

Erwin Sass, General Manager
Canyon Fuel Company, LLC
P.O. Box 1029
Wellington, Utah 84542

Subject: Post-Mining Land Use Change, Canyon Fuel Company, LLC, Banning Siding
Loadout, C/007/0034, Task ID #2117, Outgoing File

Dear Mr. Sass:

The Division reviewed the most recent updates to the Post-Mining Land Use Change amendment that we received on January 3, 2005. The purpose of the amendment was to change the post-mining land use on a portion of the permit area, which you recently sold to East Carbonics from wildlife habitat to industrial, so that East Carbonics may build a dry-ice plant.

The Division has determined that the information in the amended plan is inadequate. A list of the technical deficiencies is included in this letter. Before the Division can approve the amendment, Canyon Fuel Company must adequately address the following deficiencies.

The initials of the reviewer are at the end of each deficiency. If you have any question, comments or need additional clarification please contact the individual reviewer.

In order for us to continue to process your application, please respond to these deficiencies by June 2005.

If you have any questions, please call me at (801) 538-5286 or Dana Dean at (801) 538-5320.

Sincerely,

Pamela Grubaugh-Littig
Permit Supervisor

an
cc: Price Field Office
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LIST OF DEFICIENCIES

R645-301-542.200, CFC must include two reclamation maps into the MRP, one map would be for reclamation under the approved plan and the second for reclamation if the postmining land use is implemented. At a minimum, each map should be at a scale of 1 inch equal 50 feet, which is the scale for the current surface facilities map. The map for the alternative postmining land use must show the final reclamation contours and how the drainages at the site blend into the drainages at the CO₂ plant site. (WHW)

R645-301-830, CFC must give the Division updated reclamation cost estimates. The Division updates the bond calculation at the beginning of each year for unit cost changes and escalation, and will provide CFC with cost data in 2005 dollars upon request. (WHW)

R645-301-121.200, • The MRP indicates that Canyon Fuel Company, LLC operates the Banning Loadout C/007/034 (Section 111). However, page 5-9 of Chapter 5 states that the Banning Loadout is operated by Soldier Canyon Mine. The first statement is correct, as the permit was transferred to Canyon Fuel Company, LLC on 12/20/1996. The statement on p. 5-9 should be changed accordingly. • The phrase, “Savage Coal Service Corporation (Coal Service) under an agreement with the Applicant,” (found on page 5-9) is not a complete thought and should be deleted. (PWB)

R645-301-121.200, • The Permittee must relocate Figure 4-1 “Map Showing Cultural and Historic Resources” along with the Appendices to the Confidential Binder. • The Permittee must show that Figure 1 and Appendices 4-2 through 4-4 are in the Confidential Binder. The Division is assuming the page describing the relocation of appendices (no page number or instructions in C1C2 form provided) is suppose to go in place of the removed appendices. If this is a correct assumption, then the Permittee must include Figure 4-1 along with the list of appendices. (JAE)